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PRECEDENCE

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FROM: The Situation Room
TO HAK 65
TO: Rodman
For General Scowcroft

DEX _____
DAC 2044
LDX _____
TTY _____

GPS _____
PAGES 11
CITE _____

INFO:

DTG: 311430Z

RELEASED BY: DM

TOR: 311457Z

SPECIAL INSTRUCTIONS:

TO HAK 65

WHITEHOUSE
SITUATION ROOM
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July 7, 1975

MIDDLE EAST--AID LEVELS

Q: What kind of aid commitments to the Middle East have you made and what recommendations do you plan to make to the Hill regarding both Egypt and Israel, especially taking into account the letter signed by 76 Senators in May urging substantial aid for Israel?

A: No final decisions on aid for the Middle East will be made until our general reassessment has been concluded. We will send our recommendations to Congress in due course.

The subject of aid has come up in my talks with Middle East leaders and I reaffirmed our interest in continuing U. S. support for economic development and progress in the area. We will be discussing the question of aid to Middle East countries further through diplomatic channels.

July 9, 1975

MIDDLE EAST -- POLICY REASSESSMENT

Q: When will the policy reassessment be terminated? Will there be a US plan? Are you planning any other personal meetings with Mid-East officials?

A: I am not prepared at this point to give you a specific time for the conclusion of our reassessment process. In due course I will be making US positions known, but final decisions as a result of our reassessment have not yet been made.

July 9, 1975

MIDDLE EAST -- INTERIM AGREEMENT

Q: How close are Egypt and Israel to an interim agreement on the Sinai front? What is the reason for the reported delay by the Israeli Government in establishing its position? If no interim agreement is possible, is the next step Geneva, and have we discussed this with the Soviets?

A: We are continuing diplomatic exchanges with the parties to determine the prospects for agreement. There must be movement towards a settlement. If not, there will inevitably be a drift toward war, with disastrous consequences. Our interests in the Middle East, including our commitment to Israel's survival, are best served by a peaceful settlement. We believe that it is the responsibility of all parties involved to ensure that the momentum of the negotiating process is maintained, and are determined to prevent stagnation or stalemate.

As for Geneva, we regard the Conference to be an important part of the peacemaking process. We would naturally consult with the Soviet Union as co-Chairman of the Conference on any plans to reconvene.

July 9, 1975

POSITIONS ON OCCUPIED TERRITORIES
IN THE MIDDLE EAST

Q: Have your talks with the parties revealed any changes in their positions on territorial issues?

A: I do not believe it would serve any useful purpose for me to get into the details of negotiating positions of particular parties. There is hope for progress toward peace if all parties exercise flexibility. It is essential that there be such progress, that there be no stalemate, and therefore that none of the parties fix preconditions which would block the possibility of negotiations.

July 9, 1975

EUROPEAN DEFENSE

Q: Why, 30 years after World War II, does the US still have more than a quarter of a million soldiers in Europe? Are they really necessary? Why can't the Europeans do more for their own defense?

A: A strong and self-confident NATO Alliance remains the cornerstone of our overall defense strategy. In my recent remarks to the NATO leaders in Brussels, I reemphasized the need for all of us to maintain our force levels and to increase our military effectiveness through rationalizing our collective defense.

The US contribution is only a fraction of total alliance forces. Our European Allies contribute heavily to NATO defense and we continually encourage them to maintain their current force levels despite the increased economic pressure we all face.

We also sponsor and encourage efforts within NATO to achieve greater military capability from existing resources through standardization of equipment, conversion of support forces to combat strength, and other means. Our objective is to obtain the greatest defense capability from the considerable military investments all the NATO members are making in Europe.

July 9, 1975

U. S. ROLE IN LAOS

Q: What is the U. S. role going to be in this new situation in Laos? Will we continue to provide aid? Will we terminate diplomatic relations? Is Ambassador-designate Stone still going to go to Vientiane?

A: As you know, there has been considerable pressure on our Embassy in Vientiane including harassment of our personnel.

We are prepared to maintain diplomatic relations with Laos as long as we are assured that our Mission can operate safely and effectively. We have the situation there under constant review.

We have terminated our military and economic aid missions and have withdrawn all personnel who served in them. Our future aid relationship with Laos is under review.

Ambassador-designate Stone is currently on leave here in the United States.

(FYI - We are keeping Ambassador-designate Galen Stone here indefinitely, until we get a better reading on our long range relationship with Laos.)

DETENTE

Q: Mr. President, in light of recent events on the international scene, notable in Vietnam, Portugal and the Middle East, how do you see our relations with the Soviet Union developing? Are US-Soviet relations entering a cooling period?

A: From the outset of my Administration, I have stressed my commitment to working for improved relations with the Soviet Union in the interests of world peace. The effort to achieve a more constructive relationship with the USSR expresses the continuing desire of the vast majority of the American people for easing international tensions and reducing the chances of war while at the same time safeguarding our vital interests and our security. Such an improved relationship based on strict reciprocity is in our real national interest.

I have observed that during this process, we have had no illusions. We know that we are dealing with a nation that reflects different principles and is our competitor in many parts of the globe.

However, through a combination of firmness and flexibility, the United States has in recent years laid the basis of a more reliable relationship based on mutual interest and mutual restraint. Only last November, at Vladivostok, General Secretary Brezhnev and I reaffirmed the determination of the United States and the Soviet Union to develop our relations further and to continue the search for peace. I believe the prospects for further improvements in US-USSR relations -- taking into account recent international developments -- remain good.

US-GREEK BASES NEGOTIATIONS

Q: Mr. President, the second round in the US-Greek bases negotiations was held in Athens April 7-29. According to the joint communique issued at the close of the session, we agreed to Greek requests to close Athenai Air Force Base near Athens and terminate homeporting. How does this affect our security commitments in the Eastern Mediterranean?

A: Our current discussions with the Greek Government on bilateral defense issues are being conducted in a spirit of cooperation and cordiality reflecting our longstanding relationship with that country. We are satisfied with the steps being taken as a result of the second round of talks. They were mutually agreed upon and insure the continued viability and strength of security arrangements in the Eastern Mediterranean. Prime Minister Caramanlis and I had a very cordial and useful review of this issue during our recent talks in Brussels.

NUCLEAR-POWERED CRUISER

Q: Why did you ask the Congress for funds to build a nuclear-powered cruiser, particularly since both the Department of Defense and the Office of Management and Budget reportedly recommended against this?

A: The Department of Defense plans for its future cruiser fleet have always included nuclear-powered ships. The request for funds relates to long lead components for the first of the nuclear-powered cruisers. Because of demand for nuclear-powered components, the lead time is longer than for conventional ships.

My decision relates to the long lead time items for this particular ship.

SALT

Q: What is the status of the SALT negotiations? Are you still optimistic about conclusion of a new SALT agreement?

A: The formal SALT negotiations resumed in Geneva on July 2.

We are making progress toward a new SALT agreement based on the outlines agreed at Vladivostok in December. There are a number of technical problems which remain to be resolved.

As you know, SALT was one of the topics which Secretary Kissinger has been discussing with Soviet Foreign Minister Gromyko during their meetings this week in Geneva. I am confident we will be able to find solutions to the outstanding problems.

MBFR PROGRESS

Q: The MBFR negotiations have been going on for over a year and a half now and appear to be stalemated. We have heard reports that the US intends to offer to reduce some of its tactical nuclear forces in Europe in an effort to get the talks moving. Do you plan to make such an offer? Is there any reason to think this would move the talks forward? Could some reductions be made while the talks continue?

A: We have known from the start that these negotiations would be very complex and difficult, and that we should not expect quick results.

The issues being addressed in the MBFR talks go to the very heart of the structure of European security and affect the vital interests of some 19 participating countries.

The discussions have been treated seriously so far and neither side has used them as a propaganda forum. I said at the recent NATO summit that NATO should be prepared to take appropriate initiatives in these negotiations if that will help us meet our objectives. But the Soviet Union and its allies should also be prepared to work in good faith on the common objectives both sides should be seeking -- undiminished security for all but at a lower level of forces.

We remain optimistic that the talks ultimately can achieve a successful result. Until that time, there will be no US troop withdrawals from Europe. The level of US forces currently in Europe should be no lower given the threat presently posed by the other side.

NUCLEAR WEAPONS EMPLOYMENT POLICY

Q: Would you clarify the United States' policy on the employment of nuclear weapons?

A: The United States develops and deploys nuclear weapons for one reason -- to deter attack. If deterrence fails our nuclear forces provide the ultimate guarantee that our conventional forces will not be overwhelmed. I believe the debate of the past three weeks has made clear the distinction between "first strike" and "first use." The United States' position on both first strike and first use has remained essentially unchanged for many years. It has served us well and there is no plan for any fundamental change in our doctrine.